

population would actually lose income while the wealthiest 1% ultimately would get an annual average tax cut of \$27,155.

Under this so-called balanced-budget agreement, the net tax cuts can't exceed \$250 billion over the next 10 years. But with the back-loading in the following 10 years, the House bill would cost between \$650 billion and \$700 billion, while the Senate version would cost around \$600 billion.

Even worse, in order to shoehorn in tax breaks for their wealthier constituents, the Republican bills shamefully shortchange the working poor. Conservatives have long argued that the tax code shouldn't be used to redistribute income. Yet that's exactly what these Republican bill do.

A critical issue is whether the politically popular, if economically questionable, \$500 child credit goes to the working poor. Last week House Speaker Newt Gingrich charged that the Democrats' efforts to give more to the working poor amounted to a "welfare" sop.

Republicans would deny the child credit to workers who already are receiving the earned income tax credit. They argue that since the EITC wipes out income tax liabilities for these people, they don't deserve the credit.

The real reason they want to deny these taxpayers the credit is that they want to use the money for tax breaks on capital gains, estates and retirement accounts. Both the GOP's Contract With America in 1994 and the tax bill that Senate Republican leader Trent Lott introduced earlier this year proposed to give the child care credit to EITC beneficiaries. The House bill would deny this to six million kids and the Senate bill would deny it to four million in this category. Moreover, ever since the EITC was enacted in 1975, its purpose was to offset not only income taxes but the regressive payroll taxes that all of these recipients pay; until it became a budgetary inconvenience, most Republicans supported that notion.

This is best illustrated by a real situation. A starting police officer in Gwinnett County, GA.—coincidentally part of Speaker Gingrich's district—is paid \$23,078 a year. If his family has two kids, it gets a \$1,668 earned income tax credit, which offsets its \$675 in federal taxes and yields a check for \$993. But that family pays \$1,760 in payroll taxes (most economists would also add the employer's share of payroll taxes too) and another \$354 in federal excise taxes. Thus, even after the EITC, this police officer's family's out-of-pocket federal taxes would be at least \$1,121 and in reality more like \$2,881.

Mr. Gingrich and company apparently believe giving that young police officer and his family the child credit is welfare. In truth, these are working people who most need help. The bottom line in the House GOP tax measure: Bill Gates would get capital gains and estate tax reductions and even a new IRA provision that would let him take a \$4,000 tax break for educational expenses for his kids, but a \$23,000-a-year rookie cop would be denied a tax credit for his kids.

The Clinton administration is calculating how to reshape the tax legislation in the next month and may set some benchmarks for what's unacceptable. One possibility under consideration is that the cost of the tax cuts in the second 10 years couldn't exceed \$500 billion, about halfway between the House Democratic and Republican measures. And top administration officials say that at least 40% of the tax-cut benefits should go to the bottom 60% of taxpayers. That would still be regressive but much less onerous.

Republicans hope—and more than a few Democrats fear—that if the president gets his college tuition tax breaks, he'll cave on the other issues. Some also note that many

of those Lincoln bedroom guests and campaign contributors of 1996 would do very well by these tax bills.

But congressional Republicans are notorious in misjudging Bill Clinton if the politics are on his side. In this fight, that's where they are.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. CHABOT] is recognized for 5 minutes.

[Mr. CHABOT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

WEI JINGSHENG SUFFERS BEATING IN CHINESE PRISON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, I rise in great sadness this evening to report to our colleagues in the House of Representatives that, since the activity on this floor earlier this week regarding sending a signal to China about our seriousness about human rights, there are reports out of Beijing, both Reuters and AP, that veteran dissident Wei Jingsheng has been severely beaten by other prison inmates who were told they could get reduced prison sentences if they attacked him.

Mr. Speaker, Wei Jingsheng is known as the Sakharov of China. He is the leading pro-democracy dissident there and has been in prison for 14 years. He has been in prison since the Democracy Wall demonstrations in 1979. He was released for a couple of months when China wanted to get the Olympics, and then rearrested after a meeting with Assistant Secretary of State John Shattuck, Secretary for Human Rights and Democracy.

Mr. Speaker, Wei has been there and he will not be contrite. He will not apologize for his pro-democratic statements and he is sentenced to another 14-year sentence for speaking out peacefully for pro-democratic change. He is being beaten by the other inmates, as I said, and they are getting reduced sentences if they strike him. His health is not good, it has not been good, and he is not receiving appropriate medical attention.

Mr. Speaker, I am very pleased that our Democratic leader in the House, the gentleman from Missouri [Mr. GEPHARDT] has written to Secretary Albright regarding the news about Wei Jingsheng. He expressed his concern about the reports and mentioned that Wei has been a symbol of hope for those who wish to confront Chinese tyranny. The gentleman mentioned that he as well as many of us are great admirers of Wei's commitment to the struggle for freedom. The gentleman from Missouri urges Secretary Albright to raise the issue at the highest levels during her upcoming trip to Hong Kong and use all diplomatic and other available sources to fight for Wei's safety and release.

Mr. Speaker, Wei Jingsheng has received the European Parliament's Sakharov Prize. He has been nominated for the Nobel Peace Prize, and he is being kicked in the neck in the Chinese prisons and his tormenters are given time off for that so-called good behavior.

I bring this up at this time because there is a delegation leaving for Hong Kong for the changeover that will take place on June 30. Secretary Albright has stated that she will not attend the event which is the swearing in of the puppet legislature.

Mr. Speaker, just as a matter of background, briefly, there is a democratically elected legislature called Legco in Hong Kong. In preparation for the takeover, the Chinese regime has appointed a puppet legislature which will take over July 1 as they throw out the democratically elected legislature. So much for Democratic freedoms in Hong Kong.

It is a travesty that this Government of the United States, especially under the circumstances of Wei Jingsheng's torment, will be sending our consul general to legitimize this illegal legislature that is going to be sworn in on Tuesday.

Mr. Speaker, I call upon the Secretary of State, who never intended to attend the legislative swearing in in the first place because the administration knew that it was not appropriate, to withdraw the possibility that the consul general to Hong Kong, the representative of the United States, and other representatives of the State Department not attend. Not attend.

And, Mr. Speaker, I would certainly hope that no Member of the Congress of the United States would legitimize the illegal legislature that has been handpicked by Beijing to replace the democratically elected legislature. Its term has at least one more year to run.

It is interesting to me, though, to see the contradiction from the administration. On the one hand, they used on this floor and in their correspondence, and they used in a letter from the President of the United States, the name of Martin Lee as the leading democrat in Hong Kong, as the leading person to say support MFN for China; it is good for Hong Kong. And they used his credentials as the top democratically elected legislator in Hong Kong. Martin Lee, Martin Lee. He is a champion of democracy and his name was used earlier on the floor this week. And now Martin Lee will be ousted, replaced by a puppet legislature, and we in the United States, the greatest democracy in the world, will have our representatives there to legitimize that effort.

Mr. Speaker, I urge Members of Congress not to attend. I urge the administration not to send representatives to that swearing in.

SUPPORT FOR WEI JINGSHENG

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I simply want to associate myself with all of those who are concerned about the news reports begun by Reuters, quote "China imposes new punishments on dissident Wei."

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As somebody who has supported opening a dialog with the Chinese Government, I simply want to say that I hope that the Secretary of State is going to make the strongest possible representation on behalf of Mr. Wei, that the United States Government is going to insist on an accounting for what is happening to him and that we are going to make clear to the Chinese Government that our commitment to human rights, our concern for political prisoners and our insistence on some standard of decency are real, run across all of American society, and that they should not assume that one vote one way or the other on a particular item indicates that they have a blank check to oppress human beings.

I appreciate the gentlewoman from California for bringing this to the House's attention. I hope that Secretary Albright will make the strongest possible representation on this issue.

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentleman from Florida (Mr. SCARBOROUGH) is recognized for 5 minutes.

[Mr. SCARBOROUGH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

CLINTON'S ENDORSEMENT OF THE NEW EPA AIR REGULATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. KNOLLENBERG] is recognized for 5 minutes.

Mr. KNOLLENBERG. Mr. Speaker, I rise today to express my absolute disappointment, frankly disgust with the President's decision endorsing the EPA's stricter regulations on air pollution. The President says that the reason for imposing these new rigorous regulations was because he, and I, quote, thinks kids ought to be healthy. I agree with him. But I also think it is in the best interest of America's kids if their parents are able to remain employed.

And frankly, the new proposals may in fact hurt our kids. The current clean air standards already require cities to have emission-control plans to ensure the air is cleaner each year. As stated in the June 24 Wall Street Journal, current emission control plans will be thrown out while the new ones are being written. This will actually slow,

slow the clean air progress perhaps for years. And in the process our workers will be placed at risk. The unions know these standards will cost workers their jobs. That is why many are opposing the EPA's stricter standards.

I think we need to ask ourselves, when is enough enough? How many jobs must we lose to clean up the air more than it is? There is a point of diminishing returns where the cost far outweighs any benefits. Mr. Speaker, the Browner-Gore-Clinton EPA standards reaches that point.

We have made great progress in the last 20 years. Today the air is cleaner than it has ever been. When our current standards were put in place, the majority of our States and communities could not comply. Today over 96 percent, over 96 percent of our communities in nearly every State is able to comply with the current standards. Compliance has carried an expensive price tag but improving our environment and our air was necessary to protect the future of our country.

I believe we have succeeded. Now is not the time to turn the tables on these successes and apply more regulations and tougher standards on our communities, our workers and our families.

Right now, Mr. Speaker, the President is about to make perfect the enemy of good. Pushed by the most radical, including the Vice President and EPA Administrator Carol Browner, he is about to sacrifice our workers, our jobs and our economy at the altar of perfect air.

I and many others are not ready to blindly follow. I think we know the facts. We studied the circumstances and we have seen the data. For example, a New England Journal of Medicine study has said our children are harmed more by cockroaches, dust mites and mold than by our current air. Only 4 of the EPA's 21 scientists who serve on the Clean Air Scientific Advisory Committee actually supported the tougher standards that the President has endorsed. Even Newsweek provided a feature issue on how to protect your children from asthma. And almost nothing in that article, nothing focused on our current air standards as the problem.

The PR game has begun and the President is beginning to play his part on the bully pulpit. But I would suggest we not buy the snake oil that is being sold. His evidence is razor-thin and the costs are steep for our communities, our businesses, our workers, and our families.

Today we have a strong coalition, Republicans included, Democrats, business leaders, workers, who oppose these new regulations. I believe we need to stop the new EPA regulations before they do damage to America.

We need to commend our communities for the great progress that they have made on clean air and progress they have made. Instead, it seems President Clinton wants to reward them by punishing them with these im-

possible standards which they may never ever be able to meet.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET REGARDING CURRENT LEVELS OF SPENDING AND REVENUES REFLECTING ACTION COMPLETED AS OF JUNE 12, 1997 FOR FISCAL YEARS 1997-2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. KASICH] is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, on behalf of the Committee on the Budget and pursuant to sections 302 and 311 of the Congressional Budget Act, I am submitting for printing in the CONGRESSIONAL RECORD an updated report on the current levels of on-budget spending and revenues for fiscal year 1997 and for the 5-year period, fiscal year 1997 through fiscal year 2001.

This report is to be used in applying the fiscal year 1997 budget resolution (H. Con. Res. 178), for legislation having spending or revenue effects in fiscal years 1997 through 2001.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, June 19, 1997.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: To facilitate application of sections 302 and 311 of the Congressional Budget Act, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 1997 and for the 5-year period fiscal year 1997 through fiscal year 2001.

The term "current level" refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature as of June 12, 1997.

The first table in the report compares the current level of total budget authority, outlays, and revenues with the aggregate levels set by H. Con. Res. 178, the concurrent resolution on the budget for fiscal year 1997 as adjusted pursuant to 606(e) of the Budget Act for continuing disability reviews. This comparison is needed to implement section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for years after fiscal year 1997 because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority, outlays, and new entitlement authority of each direct spending committee with the "section 602(a)" allocations for discretionary action made under H. Con. Res. 178 for fiscal year 1997 and for fiscal years 1997 through 2001. "Discretionary action" refers to legislation enacted after adoption of the budget resolution. This comparison is needed to implement section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 602(a) discretionary action allocation of new budget authority or entitlement authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a).

The third table compares the current levels of discretionary appropriations for fiscal year 1997 with the revised "section 602(b)"